

Ernie Fletcher
Governor



Mark David Goss
Chairman

LaJuana S. Wilcher, Secretary
Environmental and Public
Protection Cabinet

Commonwealth of Kentucky
Public Service Commission
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Teresa J. Hill
Vice Chairman

Christopher L. Lilly
Commissioner
Department of Public Protection

August 28, 2006

Kent W. Blake
Director State Regulations and Rates
Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

RE: Case No. 2006-00391
Louisville Gas and Electric Company

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact Anita Mitchell at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Mike Burford".

Mike Burford
Director Division of Filings

MB/MB
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 24 2006

In the Matter of:

PUBLIC SERVICE
COMMISSION

APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR APPROVAL OF)
SALE OF PROPERTY TO THE LOUISVILLE)
ARENA AUTHORITY, INC.)

CASE NO. 2006-00391

FILED

AUG 24 2006

PUBLIC SERVICE
COMMISSION

VERIFIED APPLICATION

Louisville Gas and Electric Company ("LG&E"), by counsel, for its Verified Application for approval of the sale of certain property to the Louisville Arena Authority, Inc. ("Arena Authority") pursuant to KRS 278.040, the Commission's Order dated June 11, 2002 in Case No. 2002-00029,¹ 807 KAR 5:001, Section 8, KRS 278.218, to the extent applicable,² and any and all other applicable statutes and regulations, respectfully states as follows:

INTRODUCTION

The Arena Authority and the Louisville/Jefferson County Metro Government ("Louisville Metro Government"), upon recommendation by the Arena Task Force appointed by the Governor in May 2005, have each determined that the public interest is

¹ *Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity for the Acquisition of Two Combustion Turbines. See id.* at 6 ("Because of the finite nature and value of these [existing generation] sites, we find that LG&E and KU should seek Commission approval prior to entering into the sale or lease of any land located on an existing generation site.").

² LG&E does not believe that KRS 278.218 applies to the proposed sale, as the original purchase price of the land to be sold was \$368,219.94. The original book value that triggers KRS 278.218 jurisdiction is \$1,000,000.00.